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Michael J. Shortley, III
Senior Corporate Attorney

DOCKET FILE COPY ORIGINAL



October 19, 1993

BY OVERNIGHT MAIL

Mr. William F. Caton Acting Secretary Federal Communications Commission 1919 M Street, N.W.\ Washington, D.C. 20554

Re: <u>RM-8334</u>

COT 20 1983

FCC MAIL BRANCH

Dear Mr. Caton:

Enclosed for filing please find an original plus ten (10) copies of the Comments of Rochester Telephone Corporation in the above-noticed proceeding.

To acknowledge receipt, please affix an appropriate notation to the copy of this letter provided herewith for that purpose and return same to the undersigned in the enclosed self-addressed envelope.

Very truly yours,

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Michael J. Shortley, III

cc: Ms. Jacqueline Spindler

International Transcription Service

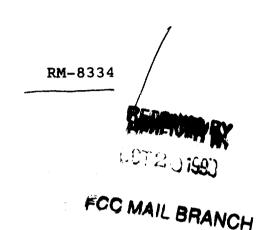
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Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of

American Telephone & Telegraph Company

Petition for the Establishment of Additional Standards To Govern Study Area Boundary Changes in Connection with the Transfer of Service Territories Between or Among Local Exchange Carriers



COMMENTS OF ROCHESTER TELEPHONE CORPORATION

Rochester Telephone Corporation ("Rochester") submits these comments in response to the Commission's Public Notice // requesting comments on the petition filed by American Telephone & Telegraph Company ("AT&T") regarding standards to govern study area boundary changes. // In the petition, AT&T requests that the Commission establish additional standards governing study area boundary changes and require exchange carriers

Public Notice, American Telephone and Telegraph Company Files Rulemaking Petition To Establish Additional Standards for Evaluating Study Area Waiver Requests, DA-93-1128, RM-8334 (Sept. 20, 1993).

American Telephone & Telegraph Company - Petition for the Establishment of Additional Standards To Govern Study Area Boundary Changes in Connection with the Transfer of Service Territories Between or Among Local Exchange Carriers, RM-8334, Petition for Rulemaking (Sept. 3, 1993) ("Petition").

involved in the sale or transfer of exchanges to supply additional, detailed information with regard to specific transactions. AT&T's professed concern is that the effect of such transactions is to increase the amount of universal service fund ("USF") payments. 4/ The Commission should deny AT&T's request.

First, the petition is premature. The Commission has recently initiated a proceeding governing interim changes to the USF. 5/ In addition, the Commission has indicated that it will soon commence a Joint Board proceeding to govern permanent changes in the USF. The Commission should address all issues in that proceeding. 6/

<u>Second</u>, even if the Commission were to consider the merits of AT&T's request, it should deny most of the relief

 $[\]frac{3}{}$ Id. at 9-13.

^{4/} Id. at 8-10.

Amendment of Part 36 of the Commission's Rules and Establishment of a Joint Board, CC Dkt. 80-286, Notice of Proposed Rulemaking, FCC 93-435 (released Sept. 14, 1993).

Indeed, as Rochester suggested in its reply comments in that proceeding, the Commission should commence a comprehensive review of the access charge rate structure, including the USF and other public policy subsidies. The Commission may best address issues such as those raised by AT&T in the context of the larger proceeding.

Amendment of Part 36 of the Commission's Rules and Establishment of a Joint Board, CC Dkt. 80-286, Reply Comments of Rochester Telephone Corporation at 2-4 (Oct. 14, 1993). The AT&T petition simply invites the Commission to engage in yet more ad hoc, piecemeal review of issues that ought to be treated in a comprehensive matter.

AT&T is seeking. AT&T wants the Commission to establish burdensome filing requirements relating to study area boundary changes resulting from the sales of exchange carrier properties. For example, AT&T asks that the Commission require parties to such transactions to file numerous details of the transaction, including the purchase price, subscriber plant factor and dial equipment minutes factor of any assets being sold, depreciation reserves and number of miles of subscriber loop, among others. Amost of this information is unnecessary to the Commission's evaluation of proposed transfers and proposed study area waiver requests. To the extent that AT&T is concerned about the impact of such transactions on the size of the USF, the Commission need only require the parties to sale or exchange transactions to provide estimates of such effects.

 $[\]frac{7}{}$ Petition at 9-13.

Parties seeking study area waivers typically provide this information in any event. See id. at 9-10. The remaining information not only is unnecessary, some of it is commercially sensitive. For example, parties may not wish to disclose the purchase price paid for particular exchanges. That information could have a direct bearing on futures sales of exchanges and thus adversely affect the parties to such transactions.

For the foregoing reasons, the Commission should deny AT&T's request to commence a rulemaking. Rather, it should consider the issues raised by AT&T in the context of a comprehensive review of the existing access rate structure.

Respectfully submitted,

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Attorney for Rochester Telephone Corporation

180 South Clinton Avenue Rochester, New York 14646 (716) 777-1028

October 19, 1993 (2711K)

Certificate of Service

I hereby certify that, on this 19th day of October, 1993, the foregoing Comments of Rochester Telephone Corporation were served by first-class mail, postage prepaid, upon:

Francine J. Berry American Telephone & Telegraph Company 295 North Maple Avenue Room 3244Jl Basking Ridge, NJ 07920

> Michael J./Shortley, III Attorney for Rochester Telephone Corporation